

# California State Senate

SENATOR

**DARRELL STEINBERG**

PRESIDENT PRO TEMPORE



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## **UCLA study shows fewer incarcerations, hospitalizations, and significant taxpayer savings from Proposition 63 mental health services**

Mental health services provided under Proposition 63 dramatically improve the quality of life for many of its 27,000 enrolled Californians, while returning significant taxpayer savings according to a new study by UCLA. The evaluation report found that every dollar spent on mental health services in California saved roughly \$0.88 in costs to the criminal justice and health, and housing services by reducing the number of arrests, incarcerations, and hospitalizations.

"Californians trusted Proposition 63 to deliver desperately needed mental health services. This report shows that Proposition 63 is not only changing lives for the better, but going further by returning a significant saving on the public's investment", said the initiative's author, California Senate leader Darrell Steinberg. "Proposition 63 is proving to be smart public policy, smart economics, and a vital service to a population and their families who have a history of being neglected by the state. Californians can be proud of their venture into intelligent progressive policy like Proposition 63."

Proposition 63, the Mental Health Services Act (MHSA) was passed by voters in 2004. The MHSA's lynchpin program, the Full Service Partnership (FSP) serves Californians experiencing the most severe mental health challenges.

The report found across-the-board reductions of mental health patients in California's health and justice systems during the 12 months after their enrollment in Proposition 63's FSP programs, when compared with their experiences in the 12 months prior to enrollment. Highlights from FY 09-10 include:

- 4,050 fewer Emergency Room visits, saving \$860,294.
- 977 fewer psychiatric hospitalizations, saving nearly \$40.6 million in costs and 39,313 fewer days in psychiatric hospital care.
- 321 fewer Californians admitted to long term care facilities, saving over \$13 million in costs and 71,877 fewer days spent in long term care facilities.
- 3,513 fewer arrests and 1,945 fewer Californians arrested, saving \$62,687.
- 68% reduction in juvenile incarceration, resulting in 452 fewer detained youths, 42,105 fewer days of juvenile sentences, and savings over \$13.4 million.
- 58% reduction in county jail or state prison incarceration, resulting in 672 fewer prisoners, 88,268 fewer days of sentences, and savings of nearly \$13.2 million.

Overall, the FSP program off-set \$63 million in potential psychiatric and physical health care costs and \$26.7 million in the criminal justice system in FY 09-10.

The UCLA Center for Healthier Children, Families, and Communities said, "Although the argument of cost savings should never be advanced as the primary reason for providing public mental health services, results of this magnitude make a strong case for the wisdom of investing public resources in programs such as FSPs."

"Proposition 63 is delivering on its promise," says Mental Health Services Oversight and Accountability Commission Chair, Larry Poaster. "We're seeing less homelessness, fewer incarcerations and an improved quality of life at a cost saving to Californians."

By 2010, there were 27,468 Californians enrolled in Proposition 63's Full Service Partnership program according to the report. Proposition 63 contributed \$0.62 for every dollar spent on mental health services in California in 2009-10, with the remainder supported by the Federal Government (\$0.30), the state's General Fund (\$0.05), and Medicare contributions (\$0.03). \$63.24 million of total \$102 million in FY 09-10 expenditures on new FSP enrollees came from Proposition 63 revenue, resulting in total cost-offsetting of \$89.74 million for new enrollees.

The full report can be found at: <http://bit.ly/Wabo7F>

In addition to the UCLA report, Senator Steinberg requested the State Auditor undertake an extensive audit, performance and outcome review of Proposition 63. Steinberg said, "I'm confident it will be positive, but where there are problems, criticisms or flaws, tell us that as well so we can improve services for those who suffer from mental illness."

Proposition 63 established the Mental Health Services Act through a one-percent income tax on those whose annual income is one million dollars or more. The proposition specified that this funding must supplement, not replace, the funding for traditional mental health services. The proposition also specified that a portion of the funding (25 percent) must go toward prevention, early intervention and innovation to treat mental illness in its early stages and to provide outreach and services to those ethnic and cultural groups which historically have been underserved.

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**\*\*\*To visit and report on one of Proposition 63's Full Service Partnership (FSP) programs in the Los Angeles or Sacramento areas, please contact Jennifer Whitney to schedule a visit: 916 445-8721**

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